

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 65th LEGISLATURE - REGULAR SESSION**

#### **COMMITTEE ON TAXATION**

**Call to Order:** Chair Jeff Essmann, on March 15, 2017 at 8:00 AM, in Room 152 Capitol

#### **ROLL CALL**

##### **Members Present:**

Rep. Jeff Essmann, Chair (R)  
Rep. Kelly Flynn, Vice Chair (R)  
Rep. Kim Abbott (D)  
Rep. Becky Beard (R)  
Rep. Zach Brown (D)  
Rep. Dave Fern (D)  
Rep. Wylie Galt (R)  
Rep. Jim Hamilton (D)  
Rep. George G. Kipp III (D)  
Rep. Steve Lavin (R)  
Rep. James O'Hara (R)  
Rep. Alan Redfield (R)  
Rep. Tom Welch (R)  
Rep. Kerry White (R)

##### **Members Excused:**

Rep. Tom Jacobson, Vice Chair (D)  
Rep. Mary Ann Dunwell (D)  
Rep. Ron Ehli (R)  
Rep. Adam Hertz (R)  
Rep. Greg Hertz (R)  
Rep. Bridget Smith (D)

**Members Absent:** None

**Staff Present:** Margot Miltenberger, Committee Secretary  
Megan Moore, Legislative Branch

**Audio Committees:** These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

##### **Committee Business Summary:**

Hearing & Date Posted: HB 529, 3/8/2017; HB 578, 3/9/2017

00:00:04 Chair Essmann relinquished the chair to Vice Chair Flynn

**HEARING ON HB 578**

**Opening Statement by Sponsor:**

00:01:20 Rep. Wylie Galt (R), HD 30, opened the hearing on HB 578, Legalize blackjack and allocate proceeds.

00:01:37 Rep. B. Smith joined the meeting

00:02:49 Rep. Dunwell, Rep. G. Hertz, and Rep. Jacobson joined the meeting

**Proponents:** None

**Opponents:**

00:02:28 Alan R. Ruby, Self

00:07:07 Angela Nunn, Department of Justice (DOJ)

00:14:38 Brad Longcake, Montana Council on Problem Gambling (MLPG)

00:18:38 Dax Cetraro, Self

00:19:44 Jim Johnson, Montana Tavern Association (MTA)

00:21:50 Rep. A. Hertz joined the meeting

00:22:16 Ronda Wiggers, Montana Coin Machine Operators Association

00:28:28 Neil Peterson, Gaming Industry Association of Montana (GIA)

00:31:20 John Iverson, Montana Tavern Association (MTA)

**Informational Witnesses:**

00:33:18 Melissa Schlichting, Department of Justice (DOJ)

**Questions from Committee Members and Responses:**

00:34:07 Rep. Fern

00:34:47 Angela Nunn, DOJ

00:36:09 Rep. White

00:41:22 Angela Nunn, DOJ

00:42:40 Rep. White

00:43:19 Dave Jeseritz, Department of Justice (DOJ)

00:44:38 Rep. White

00:45:49 Angela Nunn, DOJ

00:46:40 Rep. White

00:46:53 Rep. Redfield

00:47:50 Angela Nunn, DOJ

00:49:02 Rep. Welch

00:49:23 Rep. Galt

00:49:58 Rep. Kipp III

00:51:42 Ronda Wiggers, Montana Coin Machine Operators Association

00:51:49 Rep. Kipp III

00:52:38 Neil Peterson, GIA

00:53:57 Rep. Kipp III

00:55:17 Angela Nunn, DOJ

00:56:24 Rep. Kipp III

00:57:09 Rep. Galt

00:57:41 Rep. G. Hertz

01:02:30 Angela Nunn, DOJ  
01:02:39 Rep. Hamilton  
01:03:46 Rep. Galt  
01:04:05 Rep. Dunwell  
01:04:46 Melissa Schlichting, DOJ  
01:05:23 Rep. G. Hertz  
01:05:59 Neil Peterson, GIA  
01:06:46 Rep. G. Hertz  
01:07:08 Rep. Galt  
01:07:38 Rep. Kipp III  
01:08:05 Rep. Galt  
01:08:17 Rep. Fern  
01:08:58 Brad Longcake, MLPG  
01:10:48 Rep. Dunwell  
01:11:12 Rep. Galt  
01:11:45 Rep. Hamilton  
01:13:14 Jim Johnson, MTA  
01:14:10 Rep. Flynn  
01:15:01 Jim Johnson, MTA  
01:15:33 Rep. Hamilton  
01:16:20 Brad Longcake, MLPG

**Closing by Sponsor:**

01:17:33 Rep. Galt

01:20:50 Recessed

01:29:32 Reconvened

**HEARING ON HB 529****Opening Statement by Sponsor:**

01:29:51 Rep. Tom Jacobson (D), HD 21, opened the hearing on HB 529, Provide for tax on sale of marijuana products.

**Proponents:**

01:39:13 Gene Walborn, Department of Revenue (DOR)

**Opponents:**

01:44:12 Casey Brock, Self

01:47:42 Josh Daniels, Yellowstone Chapter of the Libertarian Party

01:49:46 Erica Siate, Self

**[EXHIBIT\(tah54a01\)](#)**

01:53:44 Danielle Muggli, Patient Rights Network

**[EXHIBIT\(tah54a02\)](#)**

01:56:49 David Herbst, Americans for Prosperity Montana

01:57:56 Terri Howell, Self

02:00:08 Kati Wetch, Patient Rights Network

02:04:12 Rep. Hopkins, Self

02:07:02 Kari Boiter, Patient Rights Network

**Informational Witnesses:**

02:12:25 Brian Watson, Department of Public Health and Human Services (DPHHS)

02:12:49 Kate Cholewa, Montana Cannabis Industry Association (MTCIA)

**Questions from Committee Members and Responses:**

02:13:33 Rep. Fern

02:16:15 Brian Watson, DPHHS

02:17:10 Rep. Abbott

02:18:00 Rep. Jacobson

02:19:18 Rep. Beard

02:20:26 Brian Watson, DPHHS

02:20:36 Rep. Dunwell

02:21:48 Rep. Jacobson

02:22:01 Rep. Dunwell

02:24:10 Gene Walborn, DOR

02:24:47 Rep. G. Hertz

02:25:52 Gene Walborn, DOR

02:26:23 Rep. G. Hertz

02:27:15 Rep. Jacobson

02:28:27 Rep. B. Smith

02:30:05 Josh Daniels, Yellowstone Chapter of the Libertarian Party

02:30:53 Rep. O'Hara

02:31:11 Brian Watson, DPHHS

02:31:22 Rep. Essmann

02:34:42 Gene Walborn, DOR

02:35:10 Rep. Fern

02:35:58 Rep. Jacobson

02:36:52 Rep. Abbott

02:37:12 Gene Walborn, DOR

02:37:39 Rep. Redfield

02:39:47 Kari Boiter, Patient Rights Network

02:41:54 Rep. Abbott

02:42:39 Kate Cholewa, MTCIA

02:44:35 Rep. Beard

02:45:25 Brian Watson, DPHHS

02:45:53 Rep. Beard

02:46:22 Gene Walborn, DOR

02:47:39 Rep. B. Smith

02:48:01 Kate Cholewa, MTCIA

02:48:57 Rep. Dunwell

**Closing by Sponsor:**

02:50:50 Rep. Jacobson

**ADJOURNMENT**

Adjournment: 03:04:01

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Margot Miltenberger, Secretary

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Additional Documents:

**EXHIBIT**([tah54aad.pdf](#))